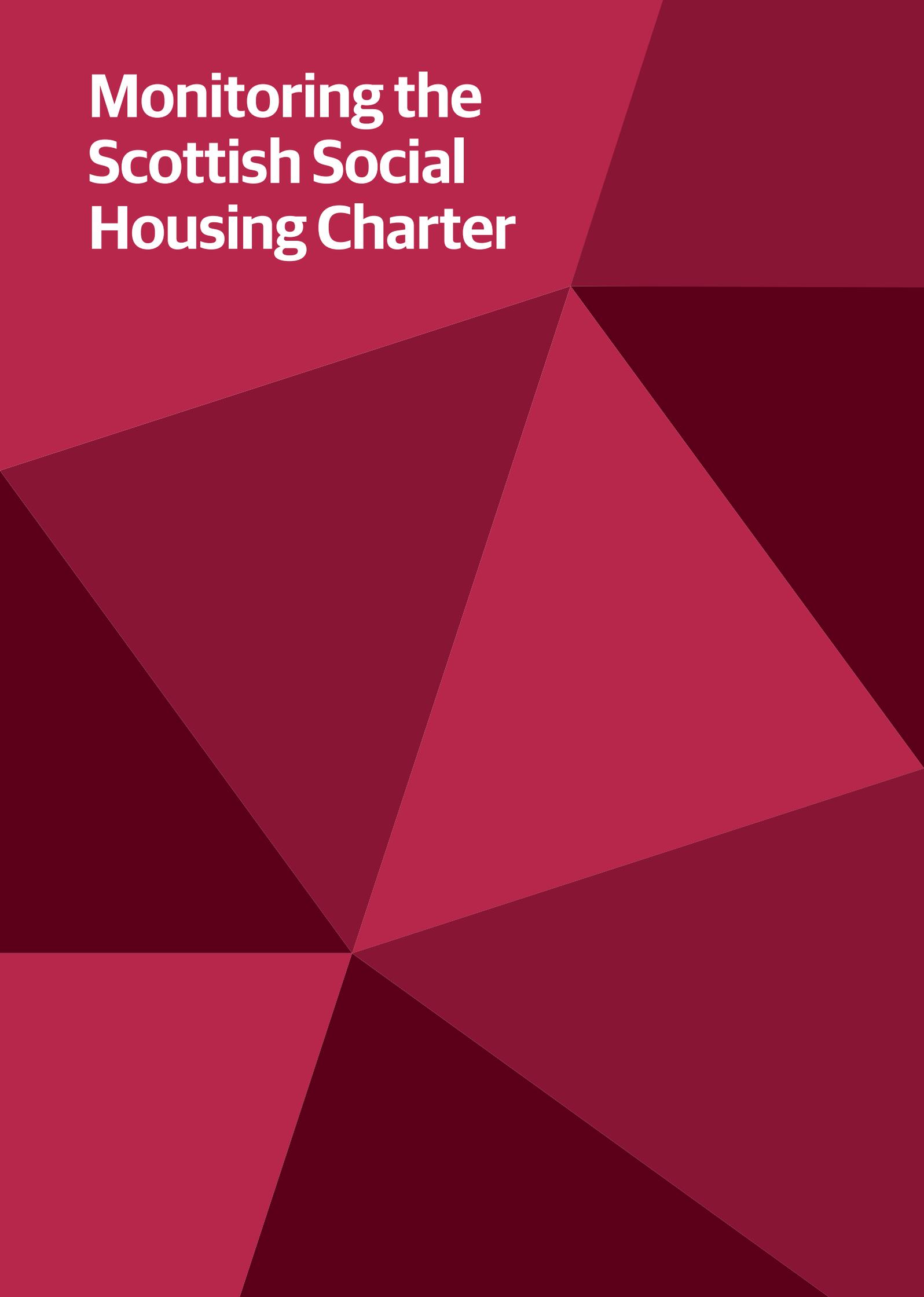


Monitoring the Scottish Social Housing Charter



3. Monitoring the Scottish Social Housing Charter

Introduction

3.1. The Housing (Scotland) Act 2010 ("the Act") requires Scottish Ministers to set standards and outcomes which social landlords should aim to achieve, and to publish these in a Scottish Social Housing Charter. It is the responsibility of each landlord to meet these outcomes and standards. It is our role to monitor and report on landlords' performance in achieving the outcomes and standards in the Charter.

Overview

3.2. In line with our regulatory principles, our approach to monitoring landlords' achievement of the outcomes and standards in the Charter is based on landlords' performance information and their own assessment of their performance.

3.3. For each year ending on 31 March, landlords should:

- » measure and assess their performance in progressing towards or achieving the Charter outcomes and standards;
- » provide us with some key performance information on their achievement of the outcomes and standards; and
- » report their performance to their tenants and other service users who use their services.

3.4. Each year we will publish a range of accessible information to allow tenants, homeless people, other service users, other landlords, funders and policy makers to understand and compare landlords' performance in achieving the Charter outcomes and standards. This will help tenants to hold their landlords to account and service users and other groups to understand the performance of social landlords.

3.5. Importantly, we use this information to inform our view of landlords' service quality in our regulatory assessments for RSLs and in the shared risk assessment for councils. The timetable for monitoring reporting and submitting information to us is set out opposite.

When	Who	What
Throughout year	Landlord	Assesses performance against the Charter
May	Landlord	Completes and submits Annual Return on the Charter (ARC) to SHR
August	SHR	Publishes on the SHR website a report about each landlord with key data from its ARC
October	Landlord	Reports its performance to all its tenants
By March	SHR	Publishes regulation plans for RSLs and contributes to Assurance and Improvement Plans for councils
By March	SHR	Publishes a report on the analysis of the sector's performance in achieving the Charter

Annual Return on the Charter

3.6. From April 2013 we require all social landlords to collect and provide us with key information on their performance in achieving the outcomes and standards in the Charter. We will use landlords' Annual Return on the Charter (ARC) to report publicly on their progress in achieving the Charter outcomes and standards and we will also use this to inform our regulatory assessments.

3.7. The ARC replaces the Annual Performance and Statistical Return (APSR) from RSLs and the Scottish Housing Quality Standard (SHQS) return from councils. RSLs will also provide us with information related to their governance arrangements from year 2013/14. Audit Scotland will stop collecting statutory performance information on housing from councils from year 2013/14.

3.8. We will publish separate guidance on the measures we will use to assess landlords' achievement of the outcomes and standards in the Charter. We will continue to collect and use the APSR and SHQS returns for year 2012/13 and access the information that councils provide to the Accounts Commission and the Scottish Government for that year.

3.9. Landlords must provide us with their completed ARC by the end of May each year starting in May 2014 for the performance year 2013/14. By the end of the August of that year we will publish a report for each landlord with key information from its ARC. We will make this available for tenants and other service users through our website. We also require landlords to make this available in appropriate ways to all of their tenants.

Landlord reporting on the Charter

3.10. For each year ending on 31 March, social landlords must report their performance in achieving or progressing towards the Charter outcomes and standards to their tenants and other service users who use their services. They should do this as soon after the end of the reporting year as is practicable and reasonable, but no later than the October of each year.

3.11. We do not intend to be prescriptive about the form of this performance reporting; this is for landlords to decide in discussion with their tenants. Landlords may choose to incorporate this in their current annual reporting arrangements if they agree this with their tenants.

3.12. When reporting performance landlords should include:

- » an assessment of performance in delivering each of the Charter outcomes and standards which are relevant to the landlord and drawing on the information provided to us in the ARC;
- » relevant comparisons – these should, through time, include comparisons with previous years, with other landlords and with national performance; and
- » how and when the landlord intends to address areas for improvement.

3.13. Landlords should consider the place of benchmarking, peer review and external accreditation in their assessment of performance. Landlords will also want to consider how their assessments will fit with currently used performance management frameworks.

3.14. Landlords should use a reporting style and format that is accessible for tenants and other service users and should use plain and jargon-free language. Landlords should give tenants and other service users a way to feed back their views on the style and form of their reporting. If a landlord has a website, it should use this to report its performance, as well as using other appropriate ways of getting the information to tenants and other service users.

3.15. Assessment of performance that is embedded in a landlord's culture and delivery of services is critical to achieving good outcomes and continuous improvement. This assessment of performance should be a continuous process. Each landlord should determine the best approach to effective performance assessment, taking account of its approach to service planning, performance management and the local context. Indeed, landlords should wholly integrate their approach to Charter assessment and reporting with their own performance management frameworks. It is important that landlords' Charter monitoring and reporting becomes an effective tool that landlords use for the delivery of good quality services; it should not be seen as a process that is additional or for regulatory purposes only.

3.16. Landlords' approach to performance assessment and reporting should be:

- » objective and evidence-based;
- » transparent;
- » about the landlord's achievements, as well as areas for improvement; and
- » (for RSLs) owned, promoted and driven by the landlord's governing body.

The involvement of tenants and other service users

3.17. Section 50 of the Act requires us to issue guidance setting out the extent to which social landlords must seek to involve tenants and other service users in the preparation of information to be given to us.

3.18. Our approach to monitoring landlords' achievement of the Charter outcomes and standards emphasises the importance of tenants being involved in the scrutiny of landlords' performance. This is firmly rooted in the principle that a landlord should: understand its tenants' priorities and needs; involve them in setting policies, objectives and standards; involve them in the implementation of decisions; and then support them to hold the landlord to account.

3.19. There are a broad range of ways in which tenants can be involved in a landlord's assessment of its performance, and there will be different levels at which tenants want to be involved. We are not prescriptive about the form of tenant involvement in landlords' assessment and reporting of performance, but we require landlords to:

- » have agreed their approach with tenants;
- » ensure that it is effective and meaningful – that the chosen approach gives tenants a real and demonstrable say in the assessment of performance;
- » publicise the approach to tenants; and
- » ensure that it can be verified – that landlords can show that the agreed approach to involving tenants has happened.

3.20. Landlords must have regard to a range of other service users who are not tenants. These may be harder to reach, but it is important that they are given the opportunity to have their views heard and that landlords can demonstrate that they are responding to them. Landlords should therefore be able to demonstrate that they have appropriate ways to involve, where relevant, those who are not tenants but receive services from them, including:

- » homeless people;
- » owners; and
- » Gypsies/Travellers who use sites provided and managed by councils and RSLs.

3.21. For these groups of service users, landlords should determine how they intend to involve them where this is relevant, including what they will do to involve those that are harder to reach and seldom heard. Landlords should be able to demonstrate that they are involving these service users in an appropriate way having had regard to the needs and wishes of these people.

3.22. Where tenants fundamentally disagree with their landlord's assessment of its performance, or where they consider that their landlord has not involved them as agreed, they can use the arrangements we have put in place to enable tenants to tell us about significant performance failures by their landlord (see Tenant Concerns at 2.22).

Our role

3.23. We will use the information that landlords are required to give to us each year as the basis for our monitoring of their achievement of the Charter outcomes and standards. We will publish this information to help tenants and other service users to compare different landlords and to hold their landlord to account.

3.24. Landlords should provide us with their completed ARC in May each year. We may require additional information from some landlords where our review of their ARC does not provide us with the level of assurance we need. This may include getting information and assurance on how the landlord reported its performance to tenants and other service users. We will then publish by the end of August a report for each landlord with key information from its ARC. These reports will be:

- » concise and set out the landlord's performance on some of the key measures with relevant comparisons (including any performance targets we set for all landlords or an individual landlord); and
- » web-based and interactive with users being able to select different benchmarks they can use to compare landlords.

3.25. We will make this available for tenants and other service users through our website. We also require landlords to make this information available in appropriate ways to all of their tenants.

3.26. It is important that we get accurate information from landlords, as it is this information that informs our regulatory assessments. Each year we will carry out visits to a number of landlords to verify the information they have provided to us in the ARC. We may ask for the landlords' performance reports to their tenants before carrying out these visits. We will select the landlords for these visits in a number of ways:

- » across a range of reported performance;
- » where we have previously identified issues through a verification visit; and
- » if we see significant variations in reported performance from year to year.

We will publish the findings from these visits to help improve the quality and consistency of the information provided to us by landlords.

3.27. Importantly, we will use our analysis of landlords' ARC, including the findings and outcomes from our verification visits, to inform our view of landlords' service quality in our regulatory assessments for RSLs and in the shared risk assessment for councils. It is through these assessments that we decide what further scrutiny or intervention action we will have with each landlord. We will set out the output from these assessments in our regulation plans for RSLs and the assurance and improvement plans for councils. We will state clearly in these plans whether we consider the landlord to have failed or to be at risk of failing to achieve the Charter standards and outcomes, together with details of our intended engagement.

3.28. We may also use our collected data to identify areas of service delivery that may benefit from a thematic scrutiny approach. This could result in us doing national studies or inquiries that involve a number of landlords or that we do jointly with other scrutiny bodies.

3.29. Taken together, this means that every year we will publish a range of information so that tenants and other service users can understand and compare landlords' achievement of the Charter outcomes and to see our regulatory response. The suite of products that we will make available about each landlord through our website will be:

- » our analysis of each landlord's ARC;
- » for RSLs, our regulation plan when we decide to have medium or high engagement with the landlord, or a link to the council's assurance and improvement plan; and
- » reports on further Charter-related scrutiny or thematic studies we may do.

3.30. The Act places a duty on us to publish a report, at least annually, setting out our assessment of social landlords' performance in achieving the standards and outcomes set out in the Charter, and naming any landlord we consider to have failed or to be at risk of failing to achieve the standards and outcomes. Each year we will publish a report that summarises the position on all landlords' progress on the Charter. Together with our publication of the suite of products we set out above, this will provide Parliament, Scottish Ministers, the general public, tenants, homeless people, other service users, landlords, lenders and funders with a comprehensive picture of landlords' achievement of the outcomes and standards in the Charter.

3.31. Section 34 of the Act empowers us to set performance improvement targets specifying the level or quality of housing services or the standard of housing activities which social landlords must aim to provide by a specified time. These targets may be set for different landlords or at different times or for different cases – so the target may relate to a single landlord, all landlords or groups or types of landlords depending on the issue.

3.32. When we set a target for one landlord, we will specify what is to be achieved and by when. The purpose of an individual target depends on the individual circumstances of the landlord and the nature of the issue to be addressed.

3.33. Where we propose a target for more than one landlord, normally we will consult Scottish Ministers, tenants and other service users or their representatives, social landlords, secured creditors of RSLs or their representatives and the Accounts Commission for Scotland setting out the objective for setting the target and the form of the target. We may not consult where there is an urgent need to set the target.